Savannah Technical Staff
Office of Ship Disposal Programs

1200 New Jersey Ave., SE Washington, DC 20590

Maritime Administration

Ref: 10 CFR 51.53(d)

October 3, 2008

ATTN: Document Control Desk U.S. Nuclear Regulatory Commission Washington, DC 20555

SUBJECT: Docket No. 50-238; License No. NS-1; N.S. Savannah

Submittal of Finding of No Significant Impact and Environmental Assessment

References:

- (a) Maritime Administration Finding of No Significant Impact, dated May 6, 2008
- (b) Nuclear Ship *Savannah* Decommissioning Final Environmental Assessment, dated March 2008
- (c) Notice of the availability of a Finding of No Significant Impact, Federal Register: May 14, 2008 (Volume 73, Number 94)
- (d) Internal Discussion Paper(s); Environmental Assessment: N.S. *Savannah*, undated circa 1973-1976
- (e) Letter from Mr. R. W. Sliger, (MARAD) to Mr. A. Giambusso, (AEC), dated December 20, 1973, N.S. *Savannah* License NS-1

The Maritime Administration hereby submits, for information, the Finding of No Significant Impact (FONSI), Reference (a), derived from the March 2008 Environmental Assessment (EA) regarding the Decommissioning of the Nuclear Ship *Savannah* (NSS), Reference (b). In Reference (c), the Agency published notice of the availability of the FONSI and EA.

Pursuant to 10 CFR 51.53(d), Post-operating license stage, "an applicant for a license amendment authorizing decommissioning activities ... shall submit with its application a separate document, entitled "Supplement to Applicant's Environmental Report--Post Operating License Stage," which will update "Applicant's Environmental Report--Operating License Stage," as appropriate, to reflect any new information or significant environmental change associated with the applicant's proposed decommissioning activities. While the Maritime Administration is not submitting a license amendment request to authorize decommissioning activities, the administration has chosen to develop an EA and FONSI in anticipation of such action.

Because the NSS is a federally-owned facility, the National Environmental Policy Act of 1969 (NEPA) requires that the Maritime Administration prepare a NEPA evaluation of the available alternatives for the NSS prior to the agency making an executive decision on decommissioning. This obligation meets the underlying intent of 10 CFR 51.53(d) to prepare an Environmental Report and any supplement to it. When the NSS was initially removed from service and defueled, the agency considered environmental effects in accordance with the NEPA statute. In contemporary documents similar to and including Reference (d), the Maritime Administration made the following two conclusions:

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- Because the NSS was licensed prior to the National Environmental Policy Act, 1969, no Environmental Impact Statement for the NSS was required; and,
- The Maritime Administration has "fulfilled its statutory responsibilities under the National Environmental Policy Act by preparing this Environmental Assessment and that no formal environmental impact statement would be required for the [decommissioning] actions that are being taken."

The Maritime Administration notified the Atomic Energy Commission of its above conclusions in Reference (e). These conclusions stood without change or reconsideration throughout the facility's mothballed retention period. The enclosed EA is the first substantive reconsideration by the agency of the environmental effects of decommissioning the NSS facility, and was prepared as part of a natural progression of planning activities undertaken in anticipation of decommissioning and license termination.

A draft of the enclosed EA was released for public comment in 2006. That draft of the EA emphasized the DECON decommissioning alternative on the presumption that such action would be undertaken. The final EA incorporates public comments received, and expands the discussion and evaluation of the SAFSTOR alternative to permit adequate analysis of that approach. The EA has been independently evaluated by the Maritime Administration and determined to adequately and accurately discuss the environmental issues and impacts of the proposed decommissioning project.

The FONSI is based on the final EA and documents the Maritime Administration's conclusion that the proposed federal action to decommission the NSS is consistent with existing national environmental policies and objectives set forth in Section 101(a) of the NEPA. The Maritime Administration concludes the proposed action will not significantly affect the quality of the human environment or otherwise include any condition requiring consultation pursuant to Section 102(2)(c) of NEPA. Therefore, a FONSI is warranted, and preparation of an Environmental Impact Statement, pursuant to NEPA is not required.

This submittal contains no new Regulatory Commitments.

If there are any questions or concerns with any issue discussed in this report, please contact me at (202) 366-2631, and/or e-mail me at erhard.koehler@dot.gov.

Respectfully,

Erhard W. Koehler Senior Technical Advisor, N.S. *Savannah* Office of Ship Disposal Programs

Enclosures

Docket No. 50-238; License NS-1; N.S. *Savannah* Submittal of Submittal of Finding of No Significant Impact and Environmental Assessment October 3, 2008

Enclosure:

- 1. Maritime Administration Finding of No Significant Impact
- 2. Nuclear Ship *Savannah* Decommissioning Final Environmental Assessment

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cc:

Electronic copy

NSS ESC NSS SRC MAR-612, 615

Hardcopy, cover letter only

MAR-600, 640, 640.2

Hardcopy w/ all enclosures

MAR-100, 640.2 (rf)

USNRC (John T. Buckley, Mark C. Roberts)

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Enclosure 1 to Submittal of Finding of No Significant Impact and Environmental Assessment
FINDING OF NO SIGNIFICANT IMPACT

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Docket No. 50-238; License No. NS-1; N.S. *Savannah* Enclosure 2 to Submittal of Finding of No Significant Impact and Environmental Assessment

NUCLEAR SHIP SAVANNAH DECOMMISSIONING - FINAL ENVIRONMENTAL ASSESSMENT